

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,)	CIVIL NO. 03-00657 SOM-BMK
)	
Plaintiff,)	SECOND DECLARATION OF STEVEN
)	R. CHAPMAN
vs.)	
)	
WALTER W. AHUNA; FRANCINE U.K.)	
AHUNA; MAUI COLLECTION)	
SERVICE, INC.; DEPT. OF THE)	
ATTORNEY GENERAL, COLLECTIONS)	
UNIT, STATE OF HAWAII; REAL)	
PROPERTY TAX DIVISION,)	
DEPARTMENT OF FINANCE, COUNTY)	
OF MAUI,)	
)	
Defendants.)	
)	

SECOND DECLARATION OF STEVEN R. CHAPMAN

I, STEVEN R. CHAPMAN, declare that:

1. I am the Acting State Director, Rural Development, mission area for Rural Housing Service (RHS), the successor agency to Farmers Home Administration, United States Department of Agriculture, an agency of the United States of America, Plaintiff in this case. I am familiar with the matters stated in this Declaration, and I am authorized to make this Declaration on behalf of RHS.

2. The records with regard to the loan on the subject property were made at or near the time by, or from information transmitted by, a person with knowledge, were kept in the course of regularly conducted business activity, are kept by RHS in the ordinary course of business under my custody and control. This

EXHIBIT A

declaration is made to further expand on the amounts due and owing on the account.

3. Records indicate Unpaid Principal as of November 29, 2004, \$51,860.54, and the corresponding daily interest accrual \$12.4323, and Unpaid Principal as of June 30, 2006, \$51,428.72, and the corresponding daily interest accrual \$12.3288. Daily interest accrual is determined by the principal balance and interest rate of the loan. Daily interest accrual is calculated by multiplying the Unpaid Principal by the interest rate (8.75% for this loan) and dividing this by 365 days in a year. The Unpaid Principal decreased due to a payment of \$431.82, on November 17, 2005. Therefore, the daily interest accrual for the Unpaid Principal decreased from \$12.4323 to \$12.3288.

4. The Fees Currently Assessed on the account increased between November 29, 2004, and June 30, 2006, due to advances of \$2,533.20, on the account for real estate taxes, hazard insurance and an appraisal. Daily interest accrual is determined by the Fees Currently Assessed balance and the interest rate of the loan. Daily interest accrual is calculated by multiplying the Fees Currently Assessed by the interest rate and dividing this by 365 days in a year. Therefore, the daily interest accrual for Fees Currently Assessed increased from \$0.1188 to \$0.7352.

I declare under penalty of perjury that the foregoing
is true and correct.

Executed on April 21, 2006, at Hilo, Hawaii.


STEVEN R. CHAPMAN